

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

**IN THE MATTER OF THE COMPLAINT §
OF RLB CONTRACTING, INC., AS §
OWNER AND OPERATOR OF THE §
BAYOU CHEVRON AND JOHNATHON §
KING BOYD, FOR EXONERATION FROM §
OR LIMITATION OF LIABILITY §**

**CIVIL ACTION NO. _____
ADMIRALTY RULE 9(H)**

DECLARATION OF VALUE AND PENDING FREIGHT

I, Randy L. Boyd, declare as follows:

1. My name is Randy L. Boyd and I am President of RLB Contracting, Inc. ("RLB").
2. I am personally familiar with the commercial operations of the pusher tug BAYOU CHEVRON and the dredge JOHNATHON KING BOYD under a dredging contract that RLB entered into with the Department of the Army Galveston District, Corps of Engineers, Contract no. W9126G-17-C-043, as amended from time to time (the "Dredging Contract").
3. The Dredging Contract provides for a base compensation amount to RLB together with multiple "options" for dredging services.
4. At the time of the incident, RLB was working on Section 17 of Matagorda Bay, Texas as provided for in Option No. 3 of the Dredging Contract.
5. RLB's work on Section 17 began on or about April 1, 2018, and RLB did not perform any other work under the Dredging Contract while it was dredging Section 17.
6. The Dredging Contract further provides that RLB agreed to charge \$4.00 per cubic yard of material removed from Section 17.
7. RLB was ultimately paid for the removal of 49,527 cubic yards in Section 17 for a total of \$198,108.00 (ONE HUNDRED NINETY-EIGHT THOUSAND AND ONE HUNDRED

AND EIGHT U.S. DOLLARS) prior to the April 17, 2018 incident described in the accompanying Verified Complaint.

8. As a result of the April 17, 2018, incident, the BAYOU CHEVRON and the JOHNATHON KING BOYD were destroyed by fire.

9. Pursuant to the letters from Braemar Technical Services Inc., attached as Exhibit 1 to this Declaration, these two vessels had a collective post-incident value estimated to be as low as \$165,000.00 (ONE HUNDRED AND SIXTY-FIVE THOUSAND U.S. DOLLARS).

10. Accordingly, the post-incident value of the BAYOU CHEVRON and the JOHNATHON KING BOYD together with the value of the work performed by the BAYOU CHEVRON and the JOHNATHON KING BOYD respecting Section 17 prior to the April 17, 2018 incident is \$363,108.00 (THREE HUNDRED SIXTY-THREE THOUSAND AND ONE HUNDRED AND EIGHT U.S. DOLLARS).

I declare under penalty of perjury under the laws of the United States of America that the forgoing is true and correct.

Executed in SAP MARTIN, CHINE on the 12TH day of October 2018.

By: _____


Randy L. Boyd

EXHIBIT 1

BRAEMAR

Braemar Technical Services
(USA) Inc.
2800 North Loop West
Suite 900
Houston, Texas 77092

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Mr. Richard A. Branca
ROYSTON, RAYZOR, VICKERY & WILLIAMS, LLP
1600 Smith Street, Suite 5000
Houston, TX 77002

10 October 2018

Re: RLB Contracting Inc.
Dredge *JONATHAN KING BOYD*
Fire damage to Dredge
DOL: 17 April 2018
Our Ref. GSS 325989

To whom it may concern,

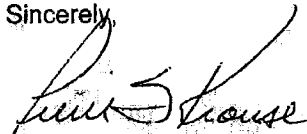
Braemar Technical Services was engaged by Insurers to survey damage to the Dredge *JONATHAN KING BOYD* that occurred on the evening of 17 April 2018 arising from a fire on board. During our survey, we found that the engines, wiring, controls and superstructure of the barge were all damaged beyond economic repair, taking into account the vessel's insured value. For photos of the damage and a description of the extent, please see our survey report dated 5 May 2018.

Braemar Technical Services has a sister company called Braemar ACM who are shipbrokers. We contacted one of the ship brokers in London on the Demolition Desk, Mr. Harry Conrad-Pickles who opined that, since the value of scrap steel is say, \$70 per ton, the value of the scrap would not exceed the cost of transport to a scrap yard or scrapping the vessel in place. We estimated the weight of the vessel at 823 short tons which would equate to a value of approximately \$58,000. In his opinion, RLB Contracting would have to pay to have the vessel scrapped.

Upon ascertaining that the scrapping of the vessel was uneconomical, the next obvious solution would be to find someone who wanted that particular hull configuration to reuse. It is clear that all of the superstructure would have to be removed and replaced as well as some of the deck plating but the hull itself could be reused since the water acted as a heat sink to pull the heat away. This left the hull below the waterline still available to use. Since this barge hull is a very peculiar configuration, it is really only suited to use as a dredge. Given the configuration, RLB Contracting or one of their competitors as the only viable options to purchase the burnt hull. Negotiations were made with RLB and a credit for the hull of the tug and barge agreed.

In my opinion, after working as a Marine Surveyor and Adjuster since 1983, the value of the vessel as she lay afloat at the dock in Port Lavaca, Texas after the fire was approximately \$150,000 - \$200,000.

Sincerely,



Pierre S. Krouse
Director

BRAEMAR

**Braemar Technical Services
(USA) Inc.**

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Houston, Texas 77092

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Mr. Richard A. Branca
ROYSTON, RAYZOR, VICKERY & WILLIAMS, LLP
1600 Smith Street, Suite 5000
Houston, TX 77002

10 October 2018

Re: RLB Contracting Inc.
TUG *BAYOU CHEVRON*
Fire damage to Dredge
DOL: 17 April 2018
Our Ref. GSS 325989


To whom it may concern,

Braemar Technical Services was engaged by Insurers to survey damage to the Tug *BAYOU CHEVRON* that occurred on the evening of 17 April 2018 arising from a fire on board. During our survey, we found that the engines, wiring, controls and interior/windows of the pilothouse of the tug were all heat damaged making the tug damaged beyond economic repair, taking into account the vessel's insured value. Photos of the vessel are attached.

We believe that the scrap value of the tug is less than the cost to cut it up for scrap considering the labor and transportation costs involved for a relatively modest amount of steel. We believe the only viable use for the vessel would be to recondition it by removing the engines, gears, fuel tank, exhausts, and wiring, blasting and painting the hull and installing all new equipment. The propellers, propeller shafts and rudders are re-useable however the rudder shaft for the port rudder is bent and will require replacement. The value for the vessel therefore is based the savings that a shipyard would have over building the tug from scratch, if they would want to build a tug of this size and configuration. We did not do an ultrasonic inspection of the hull to ascertain the condition of the steel but the anodes were intact and looked good. There was wastage to the rub rail and combing as shown in the photos attached to this letter.

In my opinion, after working as a Marine Surveyor and Adjuster since 1983, the value of the vessel as she lay hauled out at the dock in Port Lavaca, Texas after the fire was approximately \$15,000.

Sincerely,



Pierre S. Krouse
Director

Exhibit 1 – Photos of Damaged Tug